

ABSTRACT OF THE DISCLOSURE

SYSTEM AND METHOD FOR BANDWIDTH  
MANAGEMENT, PRICING, AND CAPACITY PLANNING

A bandwidth management system combines a chance constrained optimization model with variable pricing as a tool for bandwidth management. Performance analysis and capacity planning are integrated with the pricing scheme. This is a discretized multi-time-period model, where the time  $t$  is specified in terms of multiples  $\tau$  of a fixed period length  $\Delta$ .